

Declaration of Tax Status

You must complete and submit this form with your enrollment form when enrolling a non-tax qualified dependent, for example a same-sex spouse, a state-registered domestic partner, and/or his or her eligible children on your PEBB coverage. Consult a tax advisor if you have questions about whether to declare other dependents.

Under federal law, employer contributions for health insurance are excluded from an employee's gross income. However, if an enrolled PEBB dependent does not qualify as your dependent for tax purposes under Internal Revenue Code (IRC) Section 152, as modified by IRC Section 105(b), your employer must include the fair market value of his or her health insurance in your gross income. **This does not affect a family member's eligibility for PEBB coverage but it can affect your taxable income.** (The value of your dependent's health insurance is provided on the next page for state agency and higher-education employees and Medicare retirees.)

Does this mean I will be taxed on health benefits for my same-sex spouse, state-registered domestic partner, and/or his or her eligible children?

First determine whether your same-sex spouse, state-registered domestic partner, and/or his or her eligible children are your dependents for tax purposes under IRC Section 152, as modified by IRC Section 105(b). If so, then no portion of the premiums paid by your employer for health coverage will be included in your taxable income, federal withholding, or employment taxes. If your same-sex spouse's, domestic partner's, and/or his or her eligible children's tax status changes, you must promptly notify your personnel, payroll, or benefits office (if an employee) or the PEBB Program (if a retiree). If you don't, it may affect your tax liability.

How do I determine if my PEBB dependents qualify for pretax benefits?

To qualify as an IRC Section 152 dependent, as modified by IRC Section 105(b), your same-sex spouse, state-registered domestic partner, and/or his or her eligible children must be your "qualifying relative."

The Internal Revenue Service (IRS) provides information to help determine a dependent's tax status at www.irs.gov. You can use the *Worksheet for Determining Support* in IRS Publication 501 to assess whether you provide more than half of a dependent's support. Other resources include IRS Publication 555 (Community Property), and *Q&As for Registered Domestic Partners in Community Property States and Same-Sex Spouses in California*.

Section 1: Dependent Tax Status Information

List below all dependents you are enrolling on your PEBB coverage. Use additional forms for more members.

- ☐ **Yes**, this person qualifies as my dependent for tax purposes under IRC Section 152, as modified by IRC Section 105(b).
☐ **No**, this person **does not** qualify as my dependent for tax purposes. I should be taxed on the cost of his or her PEBB health coverage.

Last name First name Relationship to subscriber

- ☐ **Yes**, this person qualifies as my dependent for tax purposes under IRC Section 152, as modified by IRC Section 105(b).
☐ **No**, this person **does not** qualify as my dependent for tax purposes. I should be taxed on the cost of his or her PEBB health coverage.

Last name First name Relationship to subscriber

- ☐ **Yes**, this person qualifies as my dependent for tax purposes under IRC Section 152, as modified by IRC Section 105(b).
☐ **No**, this person **does not** qualify as my dependent for tax purposes. I should be taxed on the cost of his or her PEBB health coverage.

Last name First name Relationship to subscriber

- ☐ **Yes**, this person qualifies as my dependent for tax purposes under IRC Section 152, as modified by IRC Section 105(b).
☐ **No**, this person **does not** qualify as my dependent for tax purposes. I should be taxed on the cost of his or her PEBB health coverage.

Last name First name Relationship to subscriber

State agency and higher-education employees

The table below shows the monthly amount that will be added to your total gross income and calculated into your withholding tax. This will be reflected on your payroll statement, as well as your W-2.

2013 State Contribution for Medical and Dental Coverage for:			
Medical Plan	Same-Sex Spouse/ Domestic Partner	Same-Sex Spouse's or Domestic Partner's Child(ren)	Same-Sex Spouse/Domestic Partner and Child(ren)
All medical plans	\$499	\$393	\$892
2013 State Contribution for Dental Coverage (Without Medical Coverage) for:			
Dental Plan	Same-Sex Spouse/ Domestic Partner	Same-Sex Spouse's or Domestic Partner's Child(ren)	Same-Sex Spouse/Domestic Partner and Child(ren)
All dental plans	\$46	\$46	\$92

Employees of K-12 school districts, educational service districts (ESDs), and local government employer groups
Contact your payroll office for employer contribution amounts.

Retirees enrolled in Medicare

The table below shows the state's monthly contribution toward the same-sex spouse's or domestic partner's medical coverage, which will be reflected in the 1099 form you receive from the HCA.

Medical Plan	2013 State Contribution for Medical Coverage for Same-Sex Spouse/Domestic Partner
Group Health Classic	\$129
Group Health Medicare Plan	\$129
Group Health Value	\$129
Kaiser Permanente Classic	\$145
Medicare Supplement Plan F Retired	\$103
Medicare Supplement Plan F Disabled	\$150
Uniform Medical Plan Classic	\$150

All monthly amounts shown above are rounded to the nearest dollar, consistent with IRS tax reporting.

Section 2: Signature *Required*

By signing this form, I declare that the information I have provided is true, complete and correct. If it isn't, or if I do not update this information within the timelines in PEBB rules, to the extent permitted by federal and state law, I must repay any claims paid by my health plan(s) or premiums paid on my behalf. My PEBB dependent(s) may also lose PEBB benefits as of the last day of the month of eligibility. To the extent permitted by law, PEBB may retroactively terminate coverage for my dependent(s) if I intentionally misrepresent eligibility, or do not fully pay premiums when due. In addition, I understand that knowingly providing false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company is a crime, and can result in imprisonment, fines, denial of PEBB benefits, and loss of my job.

I understand that:

- This declaration of responsibility may have legal implications under federal and state laws.
- A civil action may be brought against me for any losses, including reasonable attorney's fees, if I have made a false statement in this declaration.
- I must notify my personnel, payroll, or benefits office (if I am an employee) or the PEBB Program (if I am a retiree) if there is a change in my domestic partnership or dependent's tax status promptly after the change. **Any change in my family status may also directly impact the calculation of my taxable income.**

HCA's Privacy Notice: We will keep your information private as allowed by law. To receive our Privacy Notice, call 360-725-0442 or go to www.hca.wa.gov/privacy/html.

Subscriber's printed name _____ Subscriber's signature _____

Subscriber's social security number _____ Date _____

Employees: Return this completed form to your personnel, payroll, or benefits office.

Retirees: Return this completed form to:

Washington State Health Care Authority, PEBB Program, P.O. Box 42684, Olympia, WA 98504-2684